

**UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS
AUDIT REPORT JUNE 30, 2011**

**KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
MARYSVILLE, KANSAS 66508**

Schedule 1 Comparison of Depository Security with Funds on Deposit 49

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

FINANCIAL INFORMATION

KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Kenneth L. Kickhaefer, CPA

PO BOX 269, 1100 BROADWAY
MARYSVILLE, KS 66508-0269

(785) 562-2100
FAX (785) 562-2166

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Board of Education
Unified School District No. 380
Vermillion, Kansas 66544

We have audited the accompanying financial statements of the governmental activities for the Unified School District No. 380, Vermillion, Kansas, as of and for the year ended June 30, 2011, which collectively comprise the district's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Unified School District No. 380, Vermillion, Kansas' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of The United States, and the *Kansas Municipal Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in note 1.C, the Unified School District No. 380, Vermillion, Kansas, prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

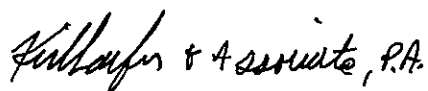
In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 380, Vermillion, Kansas, as of June 30, 2011, the changes in its financial position, or, where applicable, its cash flows for the year then ended. Further, the school district has not presented a management's discussion and analysis that accounting principles generally

accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of the Unified School District No. 380, Vermillion, Kansas, as of June 30, 2011, and its cash receipts, cash disbursements, and expenditures compared to budget, for the year then ended on the basis of accounting described in note 1.C.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 14, 2011, on our consideration of the Unified School District No. 380, Vermillion, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Unified School District No. 380, Vermillion, Kansas' basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Similarly, the information identified in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements of the district. The schedule of expenditures of federal awards and the supplementary information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole on the basis of accounting described in note 1.C.



Kickhaefer & Associate, P.A.
Marysville, Kansas
November 14, 2011

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 1
PAGE 1 OF 2

SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

FUNDS	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	RECEIPTS	EXPENDITURES	ENDING		ADD		ENDING CASH BALANCE
					UNENCUMBERED CASH BALANCE	ENCUMBRANCES AND ACCOUNTS PAYABLE	OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENCUMBRANCES AND ACCOUNTS PAYABLE	
GOVERNMENTAL TYPE FUNDS:									
GENERAL	\$ (405,835.95)	\$ 0.00	\$ 4,019,072.46	\$ 3,932,678.51	\$ (319,442.00)	\$ 49,140.93	\$	\$	(270,301.07)
SUPPLEMENTAL GENERAL	(73,597.71)	0.00	1,125,511.37	1,060,281.32	(8,367.66)	128,716.00			120,348.34
SPECIAL REVENUE FUNDS									
CAPITAL OUTLAY	960,052.66	0.00	195,585.81	301,197.66	855,440.81	60,142.84			915,583.65
DRIVER TRAINING	20,288.88	0.00	5,320.00	6,100.00	19,508.88	0.00			19,508.88
FOOD SERVICE	82,479.66	0.00	261,592.44	261,186.87	82,885.23	27,599.01			110,484.24
PROFESSIONAL DEVELOPMENT	11,433.21	0.00	0.00	5,315.45	6,117.76	0.00			6,117.76
AT RISK (4 YR. OLD)	26,889.95	0.00	45,433.00	58,862.29	13,460.66	19.65			13,480.31
SPECIAL EDUCATION	148,061.77	0.00	414,618.00	468,327.59	94,352.18	15.00			94,367.18
KPERS SPECIAL RETIREMENT CONTRIBUTION	0.00	0.00	195,457.55	195,457.55	0.00	0.00			0.00
VOCATIONAL EDUCATION	20,283.55	0.00	354,366.73	344,087.97	30,562.31	5,809.64			36,371.95
CONTINGENCY RESERVE	422,366.35	0.00	74,113.46	74,113.46	348,252.89	0.00			348,252.89
AT RISK (K-12)	9,821.13	0.00	237,827.51	226,158.89	21,489.75	3,779.13			25,268.88
TEXTBOOK RENTAL	127,462.49	0.00	25,547.65	19,320.08	133,690.06	1,659.49			135,349.55
CAPITAL IMPROVEMENT	0.00	0.00	0.00	0.00	0.00	597.00			597.00
PARENTS AS TEACHERS	26,720.11	0.00	36,481.00	35,590.71	27,610.40	1,171.51			28,781.91
SUMMER SCHOOL	41,867.90	0.00	0.00	0.00	41,867.90	0.00			41,867.90
CARL PERKINS	0.00	0.00	4,540.84	4,540.84	0.00	0.00			0.00
SMALL RURAL SCHOOL FY11	0.00	0.00	0.00	16,917.53	(16,917.53)	3,593.00			(13,324.53)
GIFTS AND GRANTS	5,083.36	0.00	2,100.00	0.00	7,183.36	0.00			7,183.36
DUAL CREDIT & IDL CLASSES	0.00	0.00	12,881.00	12,881.00	0.00	270.35			270.35
WIA YOUTH	(13,255.42)	0.00	13,255.42	0.00	0.00	0.00			0.00
TITLE I FY 11	0.00	0.00	73,306.00	88,206.41	(14,901.41)	335.46			(14,565.95)
TITLE II - D FY 11	(8,843.75)	0.00	299.00	299.00	0.00	0.00			0.00
TITLE I FY 10	(777.53)	0.00	20,000.00	11,156.25	0.00	0.00			0.00
TITLE I - ARRA	0.00	0.00	30,000.00	29,222.47	0.00	0.00			0.00
TITLE II - A FY 11	0.00	0.00	27,645.00	32,741.88	(5,096.88)	0.00			(5,096.88)
TITLE II - A FY 10	(16,087.24)	0.00	25,000.00	8,912.76	0.00	0.00			0.00
EARLY CHILDHOOD BLOCK GRANT	(12,231.71)	0.00	96,643.26	104,353.43	(19,941.88)	112.69			(19,829.19)
GATE RECEIPTS FUNDS	13,475.33	0.00	60,638.53	60,768.09	13,345.77	0.00			13,345.77
SCHOOL PROJECT FUNDS	24,389.04	0.00	73,865.24	62,010.08	36,244.20	0.00			36,244.20
DEBT SERVICE FUND									
BOND AND INTEREST FUND	359,528.10	0.00	148,236.92	266,306.25	241,458.67	0.00			241,458.67
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 1,769,574.18	\$ 0.00	\$ 7,506,223.63	\$ 7,686,994.34	\$ 1,588,803.47	\$ 282,961.70			\$ 1,871,765.17

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 1
PAGE 2 OF 2

SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	ENDING CASH BALANCE
<u>COMPOSITION OF CASH</u>	
CASH IN BANK, FIRST NATIONAL BANK, CENTRALIA, KANSAS	
- ACCTS.: #1392	0.00
- CHECKING ACCOUNT-DISTRICT ACTIVITY: #3387168	46.81
- NOW ACCTS.: #1260	56,222.46
- MONEY MARKET ACCOUNT: #3386464	(333,204.16)
- TREASURY INDEX ACCT.: #235024	52,926.25
- CERTIFICATE OF DEPOSIT #5492, DUE 7-12-11, 1.01%	523,880.62
- CERTIFICATE OF DEPOSIT #8136, DUE 7-23-11, 1.06%	320,544.31
- CERTIFICATE OF DEPOSIT #8526, DUE 11-22-11, 1.16%	485,220.21
SUBTOTAL	<u>1,105,636.50</u>
CASH IN BANK, FIRST NATIONAL BANK, FRANKFORT, KANSAS	
- NOW ACCTS: #500135	53,268.33
- CERTIFICATE OF DEPOSIT #6400, DUE 7-7-11, 1.2%	76,012.59
- CERTIFICATE OF DEPOSIT #6321, DUE 7-6-11, 1.2%	311,810.58
- CERTIFICATE OF DEPOSIT #6562, DUE 7-8-11, 1.2%	278,464.11
- CERTIFICATE OF DEPOSIT #6918, DUE 9-23-11, .75%	115,612.10
SUBTOTAL	<u>835,167.71</u>
TOTAL CASH	1,940,804.21
LESS AGENCY FUNDS per STATEMENT 4	<u>(69,039.04)</u>
TOTAL REPORTING ENTITY (Excluding Agency Funds)	<u>\$ 1,871,765.17</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 2

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

FUNDS	CERTIFIED BUDGET	ADJUSTMENT TO COMPLY WITH LEGAL MAX	ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	TOTAL BUDGET FOR COMPARISON	EXPENDITURES CHARGEABLE TO CURRENT YEAR	VARIANCE - OVER (UNDER)
<u>GOVERNMENTAL TYPE FUNDS:</u>						
GENERAL FUNDS						
GENERAL	\$ 4,004,377.00	\$ (115,408.00)	\$ 43,709.56	\$ 3,932,678.56	\$ 3,932,678.51	\$ 0.05
SUPPLEMENTAL GENERAL	1,050,000.00	0.00	10,281.32	1,060,281.32	1,060,281.32	0.00
SPECIAL REVENUE FUNDS						
CAPITAL OUTLAY	226,000.00	0.00	167,211.17	393,211.17	301,197.66	92,013.51
DRIVER TRAINING	6,100.00	0.00	0.00	6,100.00	6,100.00	0.00
FOOD SERVICE	282,500.00	0.00	1,540.59	284,040.59	261,186.87	22,853.72
PROFESSIONAL DEVELOPMENT	7,900.00	0.00	0.00	7,900.00	5,315.45	2,584.55
SPECIAL EDUCATION	482,500.00	0.00	0.00	482,500.00	468,327.59	14,172.41
KPERS SPECIAL RETIREMENT CONTRIBUTION	247,597.00	0.00	0.00	247,597.00	195,457.55	52,139.45
VOCATIONAL EDUCATION	359,400.00	0.00	0.00	359,400.00	344,087.97	15,312.03
SUMMER SCHOOL	17,250.00	0.00	0.00	17,250.00	0.00	17,250.00
PARENTS AS TEACHERS	36,320.00	0.00	0.00	36,320.00	35,590.71	729.29
AT RISK (K-12)	243,800.00	0.00	0.00	243,800.00	226,158.89	17,641.11
AT RISK (4 YR. OLD)	63,300.00	0.00	0.00	63,300.00	58,862.29	4,437.71
DEBT SERVICE FUND						
BOND AND INTEREST	266,331.00	0.00	0.00	266,331.00	266,306.25	24.75

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

(This Page Intentionally Left Blank)

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 1 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
GENERAL FUND			
<u>CASH RECEIPTS</u>			
TAXES AND SHARED REVENUE--			
AD VALOREM PROPERTY TAXES-2009	\$ 13,142.85	\$ 4,396.00	\$ 8,746.85
AD VALOREM PROPERTY TAXES-2010	377,845.85	360,527.00	17,318.85
DELINQUENT PROPERTY TAX	1,777.18	6,904.00	(5,126.82)
	<u>392,765.88</u>	<u>371,827.00</u>	<u>20,938.88</u>
TOTAL TAXES AND SHARED REVENUE			
STATE SOURCES--			
GENERAL STATE AID	2,997,229.00	3,180,503.00	(183,274.00)
SPECIAL EDUCATION	386,118.00	379,902.00	6,216.00
MINERAL PRODUCTION TAX	779.02	0.00	779.02
	<u>3,384,126.02</u>	<u>3,560,405.00</u>	<u>(176,278.98)</u>
TOTAL STATE SOURCES			
FEDERAL ARRA STABILIZATION	72,145.00	72,145.00	0.00
FEDERAL EDUCATION JOBS	126,326.00	0.00	126,326.00
REIMBURSEMENTS	43,709.56	0.00	43,709.56
	<u>4,019,072.46</u>	<u>\$ 4,004,377.00</u>	<u>\$ 14,695.46</u>
TOTAL CASH RECEIPTS			
<u>EXPENDITURES</u>			
INSTRUCTION--			
SALARIES	1,260,753.82	\$ 1,475,000.00	\$ 214,246.18
SALARIES - ARRA	72,145.00	0.00	(72,145.00)
SALARIES - EDUCATION JOBS	103,673.49	0.00	(103,673.49)
EMPLOYEE BENEFITS	262,997.13	241,000.00	(21,997.13)
EMPLOYEE BENEFITS - EDUCATION JOBS	1,582.62	0.00	(1,582.62)
PURCHASED PROF. & TECH. SERVICES	0.00	1,050.00	1,050.00
PURCHASED PROPERTY SERVICES	20,704.83	15,000.00	(5,704.83)
OTHER PURCHASED SERVICES	1,919.60	35,000.00	33,080.40
SUPPLIES	28,492.33	32,500.00	4,007.67
PROPERTY (EQUIP. & FURN.)	10,876.95	6,000.00	(4,876.95)
OTHER	68,081.77	45,000.00	(23,081.77)
	<u>1,831,227.54</u>	<u>1,850,550.00</u>	<u>19,322.46</u>
TOTAL INSTRUCTION			
STUDENT SUPPORT SERVICES--			
SALARIES	143,558.75	155,000.00	11,441.25
SALARIES - EDUCATION JOBS	10,207.73	0.00	(10,207.73)
EMPLOYEE BENEFITS	19,373.41	20,800.00	1,426.59
SUPPLIES	8,069.05	5,000.00	(3,069.05)
	<u>181,208.94</u>	<u>180,800.00</u>	<u>(408.94)</u>
TOTAL STUDENT SUPPORT SERVICES			

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 2 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
GENERAL FUND (CONT.)			
<u>EXPENDITURES</u>			
INSTRUCTIONAL SUPPORT STAFF--			
SALARIES	\$ 0.00	\$ 16,500.00	\$ 16,500.00
EMPLOYEE BENEFITS	0.00	4,900.00	4,900.00
SUPPLIES	1,175.49	1,900.00	724.51
	<u>1,175.49</u>	<u>23,300.00</u>	<u>22,124.51</u>
TOTAL INSTRUCTIONAL SUPPORT STAFF			
GENERAL ADMINISTRATION--			
SALARIES	101,876.07	105,000.00	3,123.93
EMPLOYEE BENEFITS	36,960.23	35,500.00	(1,460.23)
PURCHASED PROF. & TECH. SERVICES	12,781.21	12,000.00	(781.21)
OTHER PURCHASED SERVICES	65,937.00	71,000.00	5,063.00
SUPPLIES	2,846.27	3,500.00	653.73
PROPERTY (EQUIP. & FURN.)	2,749.52	8,500.00	5,750.48
OTHER	11,276.76	9,400.00	(1,876.76)
	<u>234,427.06</u>	<u>244,900.00</u>	<u>10,472.94</u>
TOTAL GENERAL ADMINISTRATION			
SCHOOL ADMINISTRATION--			
SALARIES	155,131.47	171,000.00	15,868.53
SALARIES - EDUCATION JOBS	10,862.16	0.00	(10,862.16)
EMPLOYEE BENEFITS	60,740.64	50,200.00	(10,540.64)
OTHER PURCHASED SERVICES	5,071.57	24,800.00	19,728.43
SUPPLIES	936.91	1,400.00	463.09
PROPERTY (EQUIP. & FURN.)	2,732.90	1,200.00	(1,532.90)
	<u>235,475.65</u>	<u>248,600.00</u>	<u>13,124.35</u>
TOTAL SCHOOL ADMINISTRATION			
OPERATIONS AND MAINTENANCE--			
SALARIES	180,917.68	176,000.00	(4,917.68)
EMPLOYEE BENEFITS	46,766.47	42,000.00	(4,766.47)
PURCHASED PROPERTY SERVICES	58,690.33	75,825.00	17,134.67
OTHER PURCHASED SERVICES	9,668.96	0.00	(9,668.96)
SUPPLIES	38,057.81	26,500.00	(11,557.81)
UTILITIES	128,490.60	150,000.00	21,509.40
PROPERTY (EQUIP. & FURN.)	4,870.45	1,500.00	(3,370.45)
	<u>467,462.30</u>	<u>471,825.00</u>	<u>4,362.70</u>
TOTAL OPERATIONS AND MAINTENANCE			

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 3 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
GENERAL FUND (CONT.)			
EXPENDITURES			
OTHER SUPPLEMENTAL SERVICES--			
SALARIES	\$ 31,072.53	\$ 31,000.00	\$ (72.53)
EMPLOYEE BENEFITS	6,066.15	5,900.00	(166.15)
TOTAL OTHER SUPPLEMENTAL SERVICES	37,138.68	36,900.00	(238.68)
STUDENT TRANSPORTATION SERVICES--			
SUPERVISION			
SALARIES	22,114.00	22,000.00	(114.00)
EMPLOYEE BENEFITS	1,856.42	5,100.00	3,243.58
PURCHASED PROPERTY SERVICES	5,561.12	0.00	(5,561.12)
OTHER PURCHASED SERVICES	4,906.73	0.00	(4,906.73)
SUPPLIES	4,118.18	0.00	(4,118.18)
OTHER	675.83	0.00	(675.83)
VEHICLE OPERATING SERVICES			
SALARIES	73,569.90	85,000.00	11,430.10
EMPLOYEE BENEFITS	31,427.54	35,000.00	3,572.46
RENT OF VEHICLES (LEASE)	4,631.00	1,000.00	(3,631.00)
OTHER PURCHASED SERVICES	0.00	5,200.00	5,200.00
FUEL	64,847.36	58,000.00	(6,847.36)
PROPERTY (EQUIPMENT)	0.00	1,000.00	1,000.00
OTHER	2,689.77	3,500.00	810.23
VEHICLE SERV. & MAINTENANCE SERVICES			
SALARIES	0.00	2,500.00	2,500.00
EMPLOYEE BENEFITS	0.00	300.00	300.00
PURCHASED PROPERTY SERVICES	0.00	15,000.00	15,000.00
SUPPLIES	0.00	5,000.00	5,000.00
TOTAL STUDENT TRANSPORTATION SERVICES	216,397.85	238,600.00	22,202.15
TRANSFERS--			
SPECIAL EDUCATION	406,118.00	379,902.00	(26,216.00)
AT RISK (4 YR. OLD)	35,433.00	25,000.00	(10,433.00)
AT RISK (K-12)	236,614.00	254,000.00	17,386.00
VOCATIONAL EDUCATION	50,000.00	50,000.00	0.00
TOTAL TRANSFERS	728,165.00	708,902.00	(19,263.00)
ADJUSTMENT TO COMPLY WITH LEGAL MAX	0.00	(115,408.00)	(115,408.00)
LEGAL GENERAL FUND BUDGET	3,932,678.51	3,888,969.00	(43,709.51)
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	0.00	43,709.56	43,709.56
TOTAL EXPENDITURES	3,932,678.51	\$ 3,932,678.56	\$ 0.05
RECEIPTS OVER (UNDER) EXPENDITURES	86,393.95		
UNENCUMBERED CASH, JULY 1, 2010	(405,835.95)		
UNENCUMBERED CASH, JUNE 30, 2011	\$ (319,442.00)		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 4 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

		10-11	10-11	VARIANCE -
		ACTUAL	BUDGET	OVER (UNDER)
SUPPLEMENTAL GENERAL FUND				
<u>CASH RECEIPTS</u>				
AD VALOREM PROPERTY TAXES -2009		\$ 16,066.68	\$ 14,386.00	\$ 1,680.68
AD VALOREM PROPERTY TAXES -2010		377,795.85	349,050.00	28,745.85
DELINQUENT PROPERTY TAX		2,656.58	7,828.00	(5,171.42)
MOTOR VEHICLE TAX		72,943.84	71,549.00	1,394.84
RECREATIONAL VEHICLE TAX		1,140.10	887.00	253.10
REIMBURSEMENTS		10,281.32	0.00	10,281.32
SUPPLEMENTAL STATE AID		644,627.00	564,530.00	80,097.00
TOTAL CASH RECEIPTS		<u>1,125,511.37</u>	<u>\$ 1,008,230.00</u>	<u>\$ 117,281.37</u>
<u>EXPENDITURES</u>				
INSTRUCTION	-SALARIES	48,804.53	\$ 78,000.00	\$ 29,195.47
	-EMPLOYEE BENEFITS	24,201.54	24,300.00	98.46
	-PURCHASED PROF. & TECH. SERVICES	24,516.04	30,000.00	5,483.96
	-OTHER PURCHASED SERVICES	52,042.34	70,000.00	17,957.66
	-SUPPLIES	44,450.93	52,500.00	8,049.07
	-PROPERTY (EQUIP. & FURN.)	32,445.28	25,000.00	(7,445.28)
	-OTHER	341.45	200.00	(141.45)
STUD. SUPPORT	-SALARIES	0.00	3,500.00	3,500.00
	-EMPLOYEE BENEFITS	0.00	3,950.00	3,950.00
INSTR. SUPP. STAFF	-SALARIES	84,023.43	88,000.00	3,976.57
	-EMPLOYEE BENEFITS	11,125.82	7,500.00	(3,625.82)
	-PURCHASED PROF. & TECH. SERVICES	0.00	500.00	500.00
	-SUPPLIES	1,667.92	15,000.00	13,332.08
GENERAL ADMIN.	-OTHER PURCHASED SERVICES	12,615.85	5,000.00	(7,615.85)
OPER. & MAINT.	-PURCHASED PROPERTY SERVICES	185,645.99	105,000.00	(80,645.99)
	-SUPPLIES	8,487.39	30,000.00	21,512.61
	-PROPERTY (EQUIP. & FURN.)	4,621.06	0.00	(4,621.06)
	-OTHER	0.00	11,450.00	11,450.00
VEH. OPER. SERV.	-RENT OF VEHICLES	152,785.57	0.00	(152,785.57)
TRANSFERS	- FOOD SERVICE	40,000.00	45,000.00	5,000.00
	- PROFESSIONAL DEVELOPMENT	0.00	15,000.00	15,000.00
	- PARENTS AS TEACHERS	15,000.00	0.00	(15,000.00)
	- AT RISK (4 YR. OLD)	10,000.00	55,000.00	45,000.00
	- AT RISK (K-12)	0.00	10,100.00	10,100.00
	- SPECIAL EDUCATION	8,500.00	75,000.00	66,500.00
	- VOCATIONAL EDUCATION	299,006.18	300,000.00	993.82
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS		0.00	10,281.32	10,281.32
TOTAL EXPENDITURES		<u>1,060,281.32</u>	<u>\$ 1,060,281.32</u>	<u>\$ 0.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES		65,230.05		
UNENCUMBERED CASH, JULY 1, 2010		(73,597.71)		
UNENCUMBERED CASH, JUNE 30, 2011		<u>\$ (8,367.66)</u>		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 5 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
CAPITAL OUTLAY FUND			
<u>CASH RECEIPTS</u>			
INTEREST ON IDLE FUNDS	\$ 29,374.64	\$ 50,000.00	\$ (20,625.36)
OTHER REVENUE	167,211.17	15,000.00	152,211.17
TOTAL CASH RECEIPTS	<u>196,585.81</u>	<u>\$ 65,000.00</u>	<u>\$ 131,585.81</u>
<u>EXPENDITURES</u>			
SCHOOL ADMINISTRATION - PROPERTY (EQUIP. & FURN.)	0.00	\$ 5,000.00	\$ 5,000.00
OPERATIONS & MAINT. - PROPERTY (EQUIP. & FURN.)	7,614.75	15,000.00	7,385.25
TRANSPORTATION - PROPERTY (EQUIP. & FURN.)	59,718.00	90,000.00	30,282.00
FACILITIES - LAND ACQUISITION	0.00	1,000.00	1,000.00
ARCHITECTURAL & ENGINEERING	3,000.00	0.00	(3,000.00)
NEW BUILDING ACQUISITION	0.00	15,000.00	15,000.00
BUILDING REPAIR & REMODELING	118,834.03	0.00	(118,834.03)
BUILDING IMPROVEMENTS - SALARIES	11,694.28	0.00	(11,694.28)
BUILDING IMPROVEMENTS - EMPLOYEE BENEFITS	893.81	0.00	(893.81)
BUILDING IMPROVEMENTS - OUTSIDE CONTRACTORS	58,992.10	50,000.00	(8,992.10)
BUILDING IMPROVEMENTS - OTHER	40,450.69	50,000.00	9,549.31
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	0.00	167,211.17	167,211.17
TOTAL EXPENDITURES	<u>301,197.66</u>	<u>\$ 393,211.17</u>	<u>\$ 92,013.51</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(104,611.85)		
UNENCUMBERED CASH, JULY 1, 2010	<u>960,052.66</u>		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 855,440.81</u>		
 CONTINGENCY RESERVE FUND			
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL FUND	\$ 0.00		
<u>EXPENDITURES</u>			
SALARIES	68,200.00		
EMPLOYEE BENEFITS	<u>5,913.46</u>		
TOTAL EXPENDITURES	<u>74,113.46</u>		
RECEIPTS OVER (UNDER) EXPENDITURES	(74,113.46)		
UNENCUMBERED CASH, JULY 1, 2010	<u>422,366.35</u>		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 348,252.89</u>		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 6 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
DRIVER TRAINING FUND			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 2,072.00	\$ 2,450.00	\$ (378.00)
OTHER LOCAL REVENUE	<u>3,248.00</u>	<u>3,200.00</u>	<u>48.00</u>
TOTAL CASH RECEIPTS	<u>5,320.00</u>	<u>\$ 5,650.00</u>	<u>\$ (330.00)</u>
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	3,614.75	\$ 2,000.00	\$ (1,614.75)
- EMPLOYEE BENEFITS	647.69	600.00	(47.69)
- PURCHASED PROF. & TECH. SERVICES	1,048.56	2,500.00	1,451.44
- SUPPLIES	789.00	500.00	(289.00)
VEHICLE OPER. & MAINT. - OTHER	<u>0.00</u>	<u>500.00</u>	<u>500.00</u>
TOTAL EXPENDITURES	<u>6,100.00</u>	<u>\$ 6,100.00</u>	<u>\$ 0.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(780.00)		
UNENCUMBERED CASH, JULY 1, 2010	<u>20,288.88</u>		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 19,508.88</u>		
 KPERS SPECIAL RETIREMENT CONTRIBUTION FUND			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 195,457.55	\$ 247,597.00	\$ (52,139.45)
<u>EXPENDITURES</u>			
INSTRUCTION - EMPLOYEE BENEFITS	138,774.87	\$ 177,279.00	\$ 38,504.13
STUDENT SUPPORT - EMPLOYEE BENEFITS	11,141.10	13,618.00	2,476.90
INSTRUCTIONAL SUPPORT - EMPLOYEE BENEFITS	5,277.37	6,685.00	1,407.63
GEN. ADMIN. - EMPLOYEE BENEFITS	5,472.83	6,685.00	1,212.17
SCHOOL ADMIN. - EMPLOYEE BENEFITS	9,772.75	12,380.00	2,607.25
OTHER SUPP. SERVICES - EMPLOYEE BENEFITS	1,759.14	2,228.00	468.86
OPER. & MAINTENANCE - EMPLOYEE BENEFITS	9,772.89	11,886.00	2,113.11
STUD. TRANSP. SERVICES - EMPLOYEE BENEFITS	7,818.32	9,656.00	1,837.68
FOOD SERVICE - EMPLOYEE BENEFITS	<u>5,668.28</u>	<u>7,180.00</u>	<u>1,511.72</u>
TOTAL EXPENDITURES	<u>195,457.55</u>	<u>\$ 247,597.00</u>	<u>\$ 52,139.45</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2010	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 0.00</u>		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 7 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
FOOD SERVICE FUND			
CASH RECEIPTS			
STATE OF KANSAS - FEDERAL AID	\$ 108,468.86	\$ 119,080.00	\$ (10,611.14)
- STATE AID	3,197.16	2,889.00	308.16
MEALS	108,385.83	108,713.00	(327.17)
TRANSFER FROM SUPPLEMENTAL GENERAL FUND	40,000.00	45,000.00	(5,000.00)
REIMBURSEMENTS	1,540.59	1,500.00	40.59
TOTAL CASH RECEIPTS	261,592.44	\$ 277,182.00	\$ (15,589.56)
EXPENDITURES			
FOOD SERVICE OPER. - SALARIES	87,116.78	\$ 93,000.00	\$ 5,883.22
- EMPL. BENEFITS	26,090.73	25,000.00	(1,090.73)
- FOOD, SUPPLIES	138,991.00	145,500.00	6,509.00
- PROPERTY (EQUIP. & FURN.)	701.65	7,000.00	6,298.35
- OTHER	8,286.71	12,000.00	3,713.29
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	0.00	1,540.59	1,540.59
TOTAL EXPENDITURES	261,186.87	\$ 284,040.59	\$ 22,853.72
RECEIPTS OVER (UNDER) EXPENDITURES	405.57		
UNENCUMBERED CASH, JULY 1, 2010	82,479.66		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 82,885.23</u>		
PARENTS AS TEACHERS FUND			
CASH RECEIPTS			
STATE OF KANSAS - STATE AID	\$ 21,481.00	\$ 21,690.00	\$ (209.00)
TRANSFER FROM SUPPLEMENTAL GENERAL FUND	15,000.00	15,000.00	0.00
TOTAL CASH RECEIPTS	36,481.00	\$ 36,690.00	\$ (209.00)
EXPENDITURES			
STUD. SUPP. SERVICES - SALARIES	28,472.00	\$ 28,000.00	\$ (472.00)
- EMPLOYEE BENEFITS	2,465.03	2,700.00	234.97
- OTHER PURCHASED SERVICES	2,631.03	4,200.00	1,568.97
- SUPPLIES	1,091.38	620.00	(471.38)
- PROPERTY (EQUIP. & FURN.)	731.27	0.00	(731.27)
INSTR. SUPP. STAFF - PURCHASED PROF. & TECH. SERVICES	145.00	300.00	155.00
- OTHER PURCHASED SERVICES	55.00	500.00	445.00
TOTAL EXPENDITURES	35,590.71	\$ 36,320.00	\$ 729.29
RECEIPTS OVER (UNDER) EXPENDITURES	890.29		
UNENCUMBERED CASH, JULY 1, 2010	26,720.11		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 27,610.40</u>		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 8 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
PROFESSIONAL DEVELOPMENT FUND			
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL FUND	\$ 0.00	\$ 0.00	\$ 0.00
<u>EXPENDITURES</u>			
INSTR. SUPPORT STAFF - SALARIES	0.00	\$ 2,300.00	\$ 2,300.00
- EMPLOYEE BENEFITS	0.00	100.00	100.00
- PURCH. PROF. & TECH. SERV.	835.00	1,000.00	165.00
- OTHER PURCH. SERVICES	1,805.00	4,500.00	2,695.00
- OTHER	191.96	0.00	(191.96)
OTHER SUPP. SERVICES - OTHER PURCH. SERVICES	2,483.49	0.00	(2,483.49)
TOTAL EXPENDITURES	5,315.45	\$ 7,900.00	\$ 2,584.55
RECEIPTS OVER (UNDER) EXPENDITURES	(5,315.45)		
UNENCUMBERED CASH, JULY 1, 2010	11,433.21		
UNENCUMBERED CASH, JUNE 30, 2011	\$ 6,117.76		
 AT RISK (4 YR OLD)			
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL FUND	\$ 35,433.00	\$ 25,000.00	\$ 10,433.00
TRANSFER FROM SUPPLEMENTAL GENERAL FUND	10,000.00	55,000.00	(45,000.00)
TOTAL CASH RECEIPTS	45,433.00	\$ 80,000.00	\$ (34,567.00)
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	40,525.80	\$ 39,500.00	\$ (1,025.80)
- EMPLOYEE BENEFITS	7,425.95	7,600.00	174.05
- OTHER PURCH. SERVICES	9.68	0.00	(9.68)
- SUPPLIES	2,743.17	2,200.00	(543.17)
- PROPERTY (EQUIP. & FURN.)	0.00	500.00	500.00
OPERATIONS & MAINT. - SUPPLIES	0.00	500.00	500.00
STUDENT TRANS. SERV. - SALARIES	6,834.67	5,000.00	(1,834.67)
- EMPLOYEE BENEFITS	440.23	7,500.00	7,059.77
- OTHER	6.00	0.00	(6.00)
OTHER SUPP. SERVICES - SUPPLIES	876.79	500.00	(376.79)
TOTAL EXPENDITURES	58,862.29	\$ 63,300.00	\$ 4,437.71
RECEIPTS OVER (UNDER) EXPENDITURES	(13,429.29)		
UNENCUMBERED CASH, JULY 1, 2010	26,889.95		
UNENCUMBERED CASH, JUNE 30, 2011	\$ 13,460.66		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 9 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
SPECIAL EDUCATION FUND			
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL FUND	\$ 406,118.00	\$ 379,902.00	\$ 26,216.00
TRANSFER FROM SUPPLEMENTAL GENERAL FUND	8,500.00	75,000.00	(66,500.00)
TOTAL CASH RECEIPTS	414,618.00	\$ 454,902.00	\$ (40,284.00)
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	25,421.97	\$ 13,500.00	\$ (11,921.97)
- EMPLOYEE BENEFITS	6,995.04	5,200.00	(1,795.04)
- OTHER PURCH. SERV. - PYMT. TO COOP	424,493.45	443,800.00	19,306.55
- SUPPLIES	171.60	500.00	328.40
SUPERVISION - SALARIES	0.00	5,500.00	5,500.00
- EMPLOYEE BENEFITS	0.00	1,100.00	1,100.00
- OTHER	0.00	2,000.00	2,000.00
VEHICLE OPER. - SALARIES	7,052.50	7,000.00	(52.50)
- EMPLOYEE BENEFITS	1,016.30	1,200.00	183.70
- OTHER PURCHASED SERVICES	573.00	200.00	(373.00)
- SUPPLIES	2,596.73	2,500.00	(96.73)
- OTHER	7.00	0.00	(7.00)
TOTAL EXPENDITURES	468,327.59	\$ 482,500.00	\$ 14,172.41
RECEIPTS OVER (UNDER) EXPENDITURES	(53,709.59)		
UNENCUMBERED CASH, JULY 1, 2010	148,061.77		
UNENCUMBERED CASH, JUNE 30, 2011	\$ 94,352.18		

SUMMER SCHOOL FUND

CASH RECEIPTS

TRANSFER FROM SUPPLEMENTAL GENERAL	\$ 0.00	\$ 0.00	\$ 0.00
------------------------------------	---------	---------	---------

EXPENDITURES

INSTRUCTION - SALARIES	0.00	\$ 8,500.00	\$ 8,500.00
- EMPLOYEE BENEFITS	0.00	250.00	250.00
- PURCH. PROF. & TECH. SERV.	0.00	5,000.00	5,000.00
- SUPPLIES	0.00	500.00	500.00
STUDENT SUPPORT SVCS. - OTHER	0.00	3,000.00	3,000.00
TOTAL EXPENDITURES	0.00	\$ 17,250.00	\$ 17,250.00
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2010	41,867.90		
UNENCUMBERED CASH, JUNE 30, 2011	\$ 41,867.90		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 10 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
VOCATIONAL EDUCATION FUND			
<u>CASH RECEIPTS</u>			
OTHER LOCAL REVENUE	\$ 5,360.55	\$ 5,000.00	\$ 360.55
TRANSFER FROM GENERAL FUND	50,000.00	50,000.00	0.00
TRANSFER FROM SUPPLEMENTAL GENERAL FUND	299,006.18	300,000.00	(993.82)
TOTAL CASH RECEIPTS	<u>354,366.73</u>	<u>\$ 355,000.00</u>	<u>\$ (633.27)</u>
<u>EXPENDITURES</u>			
INSTRUCTION			
- SALARIES	277,077.50	\$ 290,000.00	\$ 12,922.50
- EMPLOYEE BENEFITS	45,202.86	47,300.00	2,097.14
- OTHER PURCHASED SERVICES	53.29	300.00	246.71
- SUPPLIES	16,098.75	19,500.00	3,401.25
- PROPERTY (EQUIP. & FURN.)	5,410.61	2,000.00	(3,410.61)
- OTHER	244.96	300.00	55.04
TOTAL EXPENDITURES	<u>344,087.97</u>	<u>\$ 359,400.00</u>	<u>\$ 15,312.03</u>
RECEIPTS OVER (UNDER) EXPENDITURES	10,278.76		
UNENCUMBERED CASH, JULY 1, 2010	<u>20,283.55</u>		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 30,562.31</u>		
 TITLE II - A FY10			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	<u>\$ 25,000.00</u>		
<u>EXPENDITURES</u>			
INSTRUCTION			
- PURCHASED PROF. SERVICES	655.62		
- OTHER PURCHASED SERVICES	<u>8,257.14</u>		
TOTAL EXPENDITURES	<u>8,912.76</u>		
RECEIPTS OVER (UNDER) EXPENDITURES	16,087.24		
UNENCUMBERED CASH, JULY 1, 2010	<u>(16,087.24)</u>		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 0.00</u>		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 11 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 <u>ACTUAL</u>	10-11 <u>BUDGET</u>	VARIANCE - OVER (UNDER)
TEXTBOOK RENTAL FUND			
<u>CASH RECEIPTS</u>			
FEES	\$ 21,095.00		
OTHER LOCAL REVENUE	<u>4,452.65</u>		
TOTAL CASH RECEIPTS	<u>25,547.65</u>		
<u>EXPENDITURES</u>			
TEXTBOOKS	17,759.22		
OTHER	<u>1,560.86</u>		
TOTAL EXPENDITURES	<u>19,320.08</u>		
RECEIPTS OVER (UNDER) EXPENDITURES	6,227.57		
UNENCUMBERED CASH, JULY 1, 2010	<u>127,462.49</u>		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 133,690.06</u>		
 CARL PERKINS			
<u>CASH RECEIPTS</u>			
USD #442	\$ <u>4,540.84</u>		
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	450.00		
- EMPLOYEE BENEFITS	34.92		
- OTHER PURCHASED SERVICES	1,867.61		
- SUPPLIES	23.35		
- EQUIPMENT	1,403.96		
- OTHER	<u>761.00</u>		
TOTAL EXPENDITURES	<u>4,540.84</u>		
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2010	<u>0.00</u>		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 0.00</u>		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 12 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
TITLE I - FY 11			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 73,305.00		
<u>EXPENDITURES</u>			
INSTRUCTION			
-SALARIES	70,976.74		
-EMPLOYEE BENEFITS	11,378.62		
-PURCHASED PROF. SERVICES	1,897.00		
-PURCHASED SERVICES	3,179.20		
-SUPPLIES	774.85		
TOTAL EXPENDITURES	88,206.41		
RECEIPTS OVER (UNDER) EXPENDITURES	(14,901.41)		
UNENCUMBERED CASH, JULY 1, 2010	0.00		
UNENCUMBERED CASH, JUNE 30, 2011	\$ (14,901.41)		
 TITLE II-D FY 11			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 299.00		
<u>EXPENDITURES</u>			
SALARIES	299.00		
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2010	0.00		
UNENCUMBERED CASH, JUNE 30, 2011	\$ 0.00		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 13 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 <u>ACTUAL</u>	10-11 <u>BUDGET</u>	VARIANCE - OVER (UNDER)
WIA YOUTH GRANT			
<u>CASH RECEIPTS</u>			
HEARTLAND WORKS	\$ 13,255.42		
 <u>EXPENDITURES</u>			
SALARIES	0.00		
RECEIPTS OVER (UNDER) EXPENDITURES	13,255.42		
UNENCUMBERED CASH, JULY 1, 2010	(13,255.42)		
UNENCUMBERED CASH, JUNE 30, 2011	\$ 0.00		
 TITLE I - FY 10			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 20,000.00		
 <u>EXPENDITURES</u>			
SALARIES	10,350.00		
EMPLOYEE BENEFITS	806.25		
TOTAL EXPENDITURES	11,156.25		
RECEIPTS OVER (UNDER) EXPENDITURES	8,843.75		
UNENCUMBERED CASH, JULY 1, 2010	(8,843.75)		
UNENCUMBERED CASH, JUNE 30, 2011	\$ 0.00		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 14 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 <u>ACTUAL</u>	10-11 <u>BUDGET</u>	VARIANCE - OVER (UNDER)
TITLE II - A FY 11			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 27,645.00		
<u>EXPENDITURES</u>			
INSTRUCTIONAL - SALARIES	18,098.62		
- OTHER PURCHASED SERVICES	14,643.26		
TOTAL EXPENDITURES	32,741.88		
RECEIPTS OVER (UNDER) EXPENDITURES	(5,096.88)		
UNENCUMBERED CASH, JULY 1, 2010	0.00		
UNENCUMBERED CASH, JUNE 30, 2011	\$ (5,096.88)		
 EARLY CHILDHOOD BLOCK GRANT			
<u>CASH RECEIPTS</u>			
KANSAS CHILDREN'S CABINET AND TRUST FUND-FY11	\$ 28,802.00		
KANSAS CHILDREN'S CABINET AND TRUST FUND-FY10	65,531.39		
OTHER LOCAL REVENUE	2,309.87		
TOTAL CASH RECEIPTS	96,643.26		
<u>EXPENDITURES</u>			
INSTRUCTIONAL - SALARIES	53,866.87		
- EMPLOYEE BENEFITS	11,876.01		
- PURCHASED PROF. & TECH. SVCS.	6,315.00		
- OTHER PURCHASED SERVICES	896.55		
- SUPPLIES	17,704.62		
- EQUIPMENT	2,581.97		
- OTHER	3,358.51		
STUD. TRANS. SVCS. - SALARIES	7,196.49		
- EMPLOYEE BENEFITS	468.40		
- SUPPLIES	89.01		
TOTAL EXPENDITURES	104,353.43		
RECEIPTS OVER (UNDER) EXPENDITURES	(7,710.17)		
UNENCUMBERED CASH, JULY 1, 2010	(12,231.71)		
UNENCUMBERED CASH, JUNE 30, 2011	\$ (19,941.88)		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 15 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
SMALL RURAL SCHOOL FY 11			
<u>CASH RECEIPTS</u>			
U.S. DEPT. OF EDUCATION	\$ 0.00		
<u>EXPENDITURES</u>			
INSTRUCTIONAL - SUPPLIES	1,295.53		
- EQUIPMENT	15,622.00		
TOTAL CASH RECEIPTS	16,917.53		
RECEIPTS OVER (UNDER) EXPENDITURES	(16,917.53)		
UNENCUMBERED CASH, JULY 1, 2010	0.00		
UNENCUMBERED CASH, JUNE 30, 2011	\$ (16,917.53)		
 TITLE I - ARRA			
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 30,000.00		
<u>EXPENDITURES</u>			
INSTRUCTIONAL - SALARIES	27,100.00		
- EMPLOYEE BENEFITS	2,122.47		
TOTAL EXPENDITURES	29,222.47		
RECEIPTS OVER (UNDER) EXPENDITURES	777.53		
UNENCUMBERED CASH, JULY 1, 2010	(777.53)		
UNENCUMBERED CASH, JUNE 30, 2011	\$ (0.00)		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 16 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
BOND AND INTEREST FUND			
<u>CASH RECEIPTS</u>			
AD VALOREM PROPERTY TAX -2009	\$ 2,923.38	\$ 4,586.00	\$ (1,662.62)
AD VALOREM PROPERTY TAX -2010	18,082.43	17,543.00	539.43
DELINQUENT PROPERTY TAXES	696.53	1,461.00	(764.47)
MOTOR VEHICLE TAX	17,088.03	16,564.00	524.03
RECREATIONAL VEHICLE TAX	261.45	206.00	55.45
INTEREST ON IDLE FUNDS	0.00	4,100.00	(4,100.00)
STATE AID	109,185.00	109,196.00	(11.00)
TOTAL CASH RECEIPTS	<u>148,236.82</u>	<u>\$ 153,656.00</u>	<u>\$ (5,419.18)</u>
<u>EXPENDITURES</u>			
INTEREST	11,306.25	\$ 11,306.00	\$ (0.25)
COMMISSION & POSTAGE	0.00	25.00	25.00
PRINCIPAL	255,000.00	255,000.00	0.00
TOTAL EXPENDITURES	<u>266,306.25</u>	<u>\$ 266,331.00</u>	<u>\$ 24.75</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(118,069.43)		
UNENCUMBERED CASH, JULY 1, 2010	<u>359,528.10</u>		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 241,458.67</u>		
 AT RISK (K-12)			
<u>CASH RECEIPTS</u>			
OTHER LOCAL REVENUE	\$ 1,213.51	\$ 0.00	\$ 1,213.51
TRANSFER FROM GENERAL	236,614.00	254,000.00	(17,386.00)
TRANSFER FROM SUPPLEMENTAL GENERAL	0.00	10,100.00	(10,100.00)
TOTAL CASH RECEIPTS	<u>237,827.51</u>	<u>\$ 264,100.00</u>	<u>\$ (26,272.49)</u>
<u>EXPENDITURES</u>			
INSTRUCTION - SALARIES	183,934.52	\$ 183,000.00	\$ (934.52)
- EMPLOYEE BENEFITS	25,564.20	26,800.00	1,235.80
- PURCHASED PROF. & TECH. SERV.	8,343.69	22,000.00	13,656.31
- OTHER PURCHASED SERVICES	750.00	4,500.00	3,750.00
- SUPPLIES	2,197.93	7,500.00	5,302.07
- PROPERTY (EQUIP. & FURN.)	5,368.55	0.00	(5,368.55)
TOTAL EXPENDITURES	<u>226,158.89</u>	<u>\$ 243,800.00</u>	<u>\$ 17,641.11</u>
RECEIPTS OVER (UNDER) EXPENDITURES	11,668.62		
UNENCUMBERED CASH, JULY 1, 2010	<u>9,821.13</u>		
UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ 21,489.75</u>		

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 3
PAGE 17 OF 17

SUMMARY OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	10-11 ACTUAL	10-11 BUDGET	VARIANCE - OVER (UNDER)
CAPITAL IMPROVEMENT FUND			
<u>CASH RECEIPTS</u>	\$ 0.00		
<u>EXPENDITURES</u>			
BUILDING IMPROVEMENT	0.00		
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2010	0.00		
UNENCUMBERED CASH, JUNE 30, 2011	\$ 0.00		
 GIFTS AND GRANTS			
<u>CASH RECEIPTS</u>			
DONATIONS	\$ 2,100.00		
<u>EXPENDITURES</u>			
EQUIPMENT	0.00		
RECEIPTS OVER (UNDER) EXPENDITURES	2,100.00		
UNENCUMBERED CASH, JULY 1, 2010	5,083.36		
UNENCUMBERED CASH, JUNE 30, 2011	\$ 7,183.36		
 DUAL CREDIT & IDL CLASSES			
<u>CASH RECEIPTS</u>			
HIGHLAND COLLEGE	\$ 12,881.00		
<u>EXPENDITURES</u>			
SALARIES	3,695.50		
EMPLOYEE BENEFITS	293.73		
SUPPLIES	2,678.95		
EQUIPMENT	6,212.82		
TOTAL EXPENDITURES	12,881.00		
RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2010	0.00		
UNENCUMBERED CASH, JUNE 30, 2011	\$ 0.00		

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

(This Page Intentionally Left Blank)

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 4

AGENCY FUNDS
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

AGENCY FUNDS	BEGINNING CASH BALANCE	CASH RECEIPTS	CASH DISBURSE- MENTS	ENDING CASH BALANCE
STUDENT ORGANIZATION FUNDS				
CENTRALIA SCHOOLS:				
STUDENT COUNCIL	\$ 2,054.58	\$ 3,886.27	\$ 4,137.48	\$ 1,803.37
NATIONAL HONOR SOCIETY	212.33	595.00	422.42	384.91
FFA	6,279.29	16,012.90	16,612.87	5,679.32
KAYS	606.73	3,433.93	3,391.52	649.14
SCIENCE CLUB	1,346.62	0.00	0.00	1,346.62
FCCLA	3,189.98	5,308.90	4,455.32	4,043.56
DRAMA CLUB	811.64	0.00	0.00	811.64
TASMAD	115.42	701.00	567.45	248.97
BAND	284.98	1,025.90	1,074.99	235.89
CHOIR	730.55	1,145.29	1,875.84	0.00
CMC (CHOIR)	22.00	0.00	0.00	22.00
JR HIGH CHOIR	46.38	18.00	42.95	21.43
DANCE TEAM	4.32	4,493.06	4,497.38	0.00
H.S. CHEERLEADERS	16.25	2,581.61	2,597.17	0.69
CLASS OF 2011	19,296.08	3,268.83	22,564.91	0.00
CLASS OF 2012	3,444.66	38,891.77	26,367.13	15,969.30
CLASS OF 2013	599.76	3,483.00	1,266.11	2,816.65
CLASS OF 2014	132.00	1,846.25	175.00	1,803.25
CLASS OF 2015	0.00	498.75	225.00	273.75
SUBTOTAL CENTRALIA SCHOOLS	39,193.57	87,190.46	90,273.54	36,110.49
FRANKFORT SCHOOLS:				
F-CLUB	1,327.01	17,376.46	15,746.88	2,956.59
DRILL TEAM	1,730.94	947.93	1,199.16	1,479.71
STUCO	2,305.58	1,015.50	1,664.63	1,656.45
SCHOLAR BOWL	331.25	0.00	0.00	331.25
CHEERLEADERS	848.61	4,041.03	4,101.63	788.01
DRAMA	603.18	989.12	771.16	821.14
CLASS OF 2008	200.00	0.00	0.00	200.00
CLASS OF 2009	54.32	0.00	0.00	54.32
CLASS OF 2010	158.47	0.00	0.00	158.47
CLASS OF 2011	9,018.11	2,251.05	10,934.30	334.86
CLASS OF 2012	3,275.79	21,140.63	16,226.32	8,190.10
CLASS OF 2013	730.87	5,185.23	3,182.31	2,733.79
CLASS OF 2014	200.00	2,810.75	1,144.07	1,866.68
FFA	3,511.58	16,467.09	18,574.18	1,404.49
FCCLA	1,481.12	1,357.76	2,523.83	315.05
BAND	274.03	994.09	995.90	272.22
VOCAL	102.12	500.00	500.00	102.12
NATIONAL HONOR SOCIETY	246.32	161.15	235.58	171.89
SUBTOTAL FRANKFORT SCHOOLS	26,399.30	75,237.79	77,799.95	23,837.14
PAYROLL DEDUCTIONS	7,975.06	22,134.69	21,018.34	9,091.41
HEALTH INSURANCE GROUP REFUND	6,256.95	0.00	6,256.95	0.00
SUBTOTAL PAYROLL ACCOUNTS	14,232.01	22,134.69	27,275.29	9,091.41
TOTAL AGENCY FUNDS	\$ 79,824.88	\$ 184,562.94	\$ 195,348.78	\$ 69,039.04

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

(This Page Intentionally Left Blank)

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 5

DISTRICT ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

<u>FUNDS</u>	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELLED ENCUMBRANCES	CASH RECEIPTS	EXPENDITURES	ENDING UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
GATE RECEIPTS FUNDS							
CENTRALIA SCHOOLS:							
ATHLETICS	\$ 1,628.22	\$ 0.00	\$ 33,583.54	\$ 31,558.09	\$ 3,653.67	\$ 0.00	\$ 3,653.67
FRANKFORT SCHOOLS:							
ATHLETICS	11,847.11	0.00	27,054.99	29,210.00	9,692.10	0.00	9,692.10
SUBTOTAL GATE RECEIPTS FUNDS	13,475.33	0.00	60,638.53	60,768.09	13,345.77	0.00	13,345.77
SCHOOL PROJECT FUNDS							
CENTRALIA SCHOOLS:							
SCHOOL ENDOWMENT	1,517.34	0.00	2,780.00	1,289.78	3,007.56	0.00	3,007.56
ANNUAL	2,877.63	0.00	6,905.00	4,512.38	5,270.25	0.00	5,270.25
BOOK FAIR	123.37	0.00	2,816.98	2,780.29	160.06	0.00	160.06
ADMINISTRATION/PICTURES	1,254.54	0.00	9,857.86	6,135.68	4,976.72	0.00	4,976.72
SALES TAX	31.95	0.00	3,365.02	3,396.97	0.00	0.00	0.00
COMPUTER EQUIPMENT	466.27	0.00	69.00	0.00	535.27	0.00	535.27
L. GLATCAK WALMART AWARD	80.69	0.00	0.00	0.00	80.69	0.00	80.69
HEALTH/FITNESS	421.00	0.00	1,000.00	304.56	1,116.44	0.00	1,116.44
SADD	1,250.00	0.00	0.00	1,247.43	2.57	0.00	2.57
BOX TOPS	460.30	0.00	1,010.94	162.50	1,308.74	0.00	1,308.74
SUBTOTAL CENTRALIA SCHOOLS	8,483.09	0.00	27,804.80	19,829.59	16,458.30	0.00	16,458.30
FRANKFORT SCHOOLS:							
JR HIGH YEARBOOK	1,006.58	0.00	2,040.00	1,961.69	1,084.89	0.00	1,084.89
GREENHOUSE	1,530.28	0.00	7,986.23	7,297.51	2,219.00	0.00	2,219.00
WILDCAT INCENTIVE	464.68	0.00	4,025.00	3,977.12	512.56	0.00	512.56
YEARBOOK	2,034.16	0.00	9,277.25	6,629.62	4,681.79	0.00	4,681.79
GRADE SCHOOL ACTIVITIES	1,927.44	0.00	870.45	1,537.83	1,260.06	0.00	1,260.06
K-8 ACTIVITY	1,548.06	0.00	4,000.00	4,013.14	1,534.92	0.00	1,534.92
MIDDLE SCHOOL PROJECT	432.70	0.00	572.00	982.93	21.77	0.00	21.77
STUDENT ACTIVITIES	653.36	0.00	1,813.41	985.68	1,481.09	0.00	1,481.09
LIBRARY	711.25	0.00	2,905.40	2,727.17	889.48	0.00	889.48
CONCESSIONS	1,884.61	0.00	0.00	0.00	1,884.61	0.00	1,884.61
WOODWORKING TOOLS	597.98	0.00	234.00	470.79	361.19	0.00	361.19
ART - POWELL	16.00	0.00	0.00	0.00	16.00	0.00	16.00
ADMINISTRATIVE POWELL FUND	0.00	0.00	3,000.00	1,704.78	1,295.22	0.00	1,295.22
MISCELLANEOUS PROJECTS	2,506.19	0.00	3,181.10	3,836.38	1,850.91	0.00	1,850.91
WASHINGTON DC TRIP	457.60	0.00	5,465.00	5,277.00	645.60	0.00	645.60
SUBTOTAL FRANKFORT SCHOOLS	15,770.89	0.00	45,369.84	41,401.64	19,739.09	0.00	19,739.09
DISTRICT ACTIVITY:							
BOARD FLOWERS	37.66	0.00	0.00	0.00	37.66	0.00	37.66
POP MACHINE	24.12	0.00	0.00	14.97	9.15	0.00	9.15
3 YEAR OLDS	73.28	0.00	0.00	73.28	0.00	0.00	0.00
KINDER PREP	0.00	0.00	690.60	690.60	0.00	0.00	0.00
SUBTOTAL DISTRICT ACTIVITY	135.06	0.00	690.60	778.85	46.81	0.00	46.81
SUBTOTAL SCHOOL PROJECT FUNDS	24,389.04	0.00	73,865.24	62,010.08	36,244.20	0.00	36,244.20
TOTAL DISTRICT ACTIVITY FUNDS	\$ 37,864.37	\$ 0.00	\$ 134,503.77	\$ 122,778.17	\$ 49,589.97	\$ 0.00	\$ 49,589.97

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

(This Page Intentionally Left Blank)

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Unified School District No. 380 is a municipal corporation governed by an elected seven-member board. These financial statements present Unified School District No. 380 (the primary government). The district has no component units.

B. Fund accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following types of funds comprise the financial activities of the district for the fiscal year 2011:

Governmental funds

General fund--to account for all financial resources except those required to be accounted for in another fund.

Special revenue funds--to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specified purposes.

Debt service fund --to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Fiduciary funds

Trust and agency funds--to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include (a) expendable trust funds, (b) nonexpendable trust funds, (c) pension trust funds, and (d) agency funds.

C. Basis of Accounting

Statutory Basis of Accounting--The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund which the transfer is made.

The district has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the district to use the statutory basis of accounting.

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Departure from accounting principles generally accepted in the United States of America--The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expense and liabilities such as deferred revenue, matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.

D. Reimbursements

Unified School District No. 380 records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

E. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year. The maximum legal general fund budget per the State Board of Education was set at \$3,888,969 on June 3, 2011.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, fiduciary funds, permanent funds and the following special revenue funds:

Textbook Rental
Contingency Reserve
Highland Class fund
Federal programs and grant funds.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

F. Property Tax

The county clerk calculates the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the clerk certifies the tax roll to the county treasurer, who prepares tax statements and receives payment.

Taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 21st and May 11th. Delinquent taxes were assessed interest at 7% per annum for calendar year 2010 and 7% per annum for calendar year 2011. This interest is retained by the county.

Taxes levied to finance the budget are made available to the district after January 1st and are distributed by the county treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance With Finance-Related Legal and Contractual Provisions

K.S.A. 75-3317 through 75-3322 makes mandatory the purchase of products offered by Kansas industries for the blind and disabled. "The Kansas Use Law" states that when a unified school district has need to purchase products such as those listed in the Kansas State Use Catalog, it is a violation of Kansas law to purchase from any source other than those specified on the website or catalog. USD #380 purchases all their trash bags from Envision which is one of the agencies listed. USD #380 purchased \$2,275.18 worth of supplies from Envision in the current fiscal year but failed to purchase all such products made available by the above vendors.

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (cont.)

Compliance With Finance-Related Legal and Contractual Provisions (cont.)

The Small Rural School Grant and the Early Childhood Grant monies are reimbursable federal and state programs. Exemption from the Kansas cash basis law K.S.A. 10-113 is allowed for reimbursable programs under K.S.A. 12-1664. The district can only be reimbursed for actual expenses which must be submitted for payment. Reimbursement in the amount of \$19,927.00 for the Small Rural School Grant balance of \$-16,917.53 was received in July and September of 2011. Reimbursement in the amount of \$20,171.10 for the Early Childhood Grant balance of \$-19,941.88 was received in August and November, 2011. Title II – A FY11 ended with a balance of \$-5,096.88 and the district received reimbursement from the State of \$8,000.00 in August, 2011. Title I ended with a balance of \$-14,901.41 and the district received reimbursement from the State of \$15,000 in August, 2011.

3. DEPOSITS AND INVESTMENTS

At year-end the district had no investments (including repurchase agreements).

K.S.A. 9-1401 establishes the depositories which may be used by the district. The statute requires banks eligible to hold the district's funds have a main or branch bank in the county in which the district is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The district has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the district's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The district has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the district may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the district's deposits may not be returned to it. State statutes require the district's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, of the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2011.

At June 30, 2011, the carrying amount of the district's deposits, including certificates of deposit, was \$1,940,804.21 and the bank balance was \$2,370,868.82. The bank balance was held by two banks, resulting in a concentration of credit risk. Of the bank balance, \$500,752.03 was covered by FDIC insurance and \$1,870,116.79 was collateralized with securities held by the pledging financial institutions' agents in the district's name.

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

3. DEPOSITS AND INVESTMENTS (cont.)

Custodial credit risk – investments. At year-end the district had no investments.

4. LONG-TERM DEBT

Changes in long-term liabilities for the district for the year ended June 30, 2011 were as follows:

ISSUE	INTEREST RATES	DATE OF ISSUE	AMOUNT OF ISSUE	DATE OF FINAL MATURITY	BEGINNING PRINCIPAL OUTSTANDING	ADDITIONS TO PRINCIPAL	REDUCTIONS OF PRINCIPAL	NET CHANGE IN PRINCIPAL	ENDING PRINCIPAL OUTSTANDING	INTEREST PAID
GENERAL OBLIGATION BONDS: REFUNDING BONDS SERIES 2004	1.0 - 3.0%	03/04/04	\$ 1,930,000.00	09/01/11	\$ 515,000.00	\$ 0.00	\$ 255,000.00	\$ (255,000.00)	\$ 260,000.00	\$ 11,306.25
BUS LEASE/PURCHASE AGREEMENT	4.25%	6/4/2009	702,917.89	7/1/2013	337,748.92	0.00	138,122.72	(138,122.72)	199,626.20	14,662.85
					\$ 852,748.92	\$ 0.00	\$ 393,122.72	\$ (393,122.72)	\$ 459,626.20	\$ 25,969.10

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	YEAR						
	2012	2013	2014	2015	2016	2017-2021	TOTAL
PRINCIPAL							
GENERAL OBLIGATION BONDS-2004	\$ 260,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 260,000.00
BUS LEASE/PURCHASE AGREEMENT	144,094.85	55,531.35	0.00	0.00	0.00	0.00	199,626.20
INTEREST							
GENERAL OBLIGATION BONDS-2004	3,900.00	0.00	0.00	0.00	0.00	0.00	3,900.00
BUS LEASE/PURCHASE AGREEMENT	8,690.72	2,410.81	0.00	0.00	0.00	0.00	11,101.53
TOTAL PRINCIPAL AND INTEREST	\$ 416,685.57	\$ 57,942.16	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 474,627.73

5. INTERFUND TRANSFERS

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Special Education	K.S.A. 72-6428	\$ 406,118.00
General Fund	At Risk (K-12)	K.S.A. 72-6428	236,614.00
General Fund	Vocational Education	K.S.A. 72-6428	50,000.00
General Fund	At Risk (4 Yr. Old)	K.S.A. 72-6428	35,433.00
Supplemental General	Food Service	K.S.A. 72-6433	40,000.00
Supplemental General	Parents as Teachers	K.S.A. 72-6433	15,000.00
Supplemental General	At Risk (4 Yr. Old)	K.S.A. 72-6433	10,000.00
Supplemental General	Special Education	K.S.A. 72-6433	8,500.00
Supplemental General	Vocational Education	K.S.A. 72-6433	299,006.18

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

6. DEFINED BENEFIT PENSION PLAN

Plan description. The Unified School District No. 380, Vermillion, Kansas, contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas currently contributes 9.17% of covered payroll. These contribution requirements are established by KPERS and are periodically revised. State of Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2011, 2010, and 2009 were \$253,834,044, \$248,468,186 and \$242,277,363, respectively, equal to the required contributions for each year.

7. OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, the district allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the district is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the district makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

8. FRINGE BENEFITS

The USD #380 Board of Education will apply the cost of a single membership up to \$350 per month in the 2010-2011 school year on the premium for the School Sponsored Health Insurance Plan.

The Board of Education will apply up to \$5.45 per month on the premium for a \$15,000 term life and accidental death and dismemberment insurance policy through the School Sponsored Health Insurance Carrier.

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

8. FRINGE BENEFITS (cont.)

Section 125 Salary Reduction- The Board of Education is purchasing benefits in the amount up to \$1,000 per month for each full time or part time teacher for the contract year. The teacher will select from health insurance, salary protection insurance, cancer insurance, and group term life. There will also be a reimbursement program to enable tax free dollars to be used for dependent care and medical reimbursement. The teacher will receive the difference between the total benefit available and the total amount of non-taxable benefits in cash that will be subject to Income and FICA taxes.

9. COMPENSATED ABSENCES

The district's policies regarding vacation and sick leave are: Teachers are allowed 12 days sick leave accumulative to 100 days, three days personal leave accumulative to five, and four days professional leave on a non-accumulative basis. Teachers who do not use any sick leave during the 2010-2011 contract shall be paid \$150 with their June payroll check. The \$150 will be reduced by \$50 for each day used up to three days. A teacher after employment with the district for a period of 4 years will receive \$20.00 per day for each day of up to 90 days of accumulated sick leave upon retirement, resignation, or death. At the end of the school year, each teacher will be paid substitute teachers pay for each day of personal leave that is not used or carried over. The U.S.D. clerk and other 12 month employees are allowed 12 days vacation per year, 12 days sick leave and six holidays. The principals also receive 12 days sick leave accumulative to 90 days. The superintendent is allowed 12 days sick leave accumulative to 90 days, and 15 days vacation.

Liability for compensated absences is not reflected in the financial statements.

10. TERMINATION BENEFITS

Early Retirement Incentive Program. Unified School District No. 380 provides an early retirement program for eligible certified staff. The dollar amount stipend is a percentage of base salary from age 60 to 64. The base salary which will be used will be that which is in effect during the year the Board of Education receives notification that the certified staff member is seeking early retirement. An amount of \$6,719.22 was paid out to two retired employees under this plan for the year ended June 30, 2011.

11. COMMITMENTS AND CONTINGENCIES

Litigation. As of the audit date, there is one threatened litigation which involves the Unified School District No. 380.

Grant program involvement. In the normal course of operations, the district participates in various Federal or State grant programs from year to year. The grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

12. COMPLIANCE WITH K.S.A. 72-6417(d) AND K.S.A. 72-6434(d)

K.S.A. 72-6417(d) and K.S.A. 72-6434(d) require the school district to record any payment of general state aid that is due to be paid during the month of June and is paid to the school district after June 30 as a receipt for the school year ending on June 30. The following shows the revenue as required by the statutes.

(The remainder of this page is intentionally left blank)

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

STATUTORY REVENUES AND EXPENDITURES - STATUTORY AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	GENERAL FUND		VARIANCE -
	STATUTORY	10-11	OVER
	TRANSACTIONS	BUDGET	(UNDER)
<u>STATUTORY REVENUES</u>			
TAXES AND SHARED REVENUE--			
AD VALOREM PROPERTY TAXES -2009	\$ 13,142.85	\$ 4,396.00	\$ 8,746.85
AD VALOREM PROPERTY TAXES -2010	377,845.85	360,527.00	17,318.85
DELINQUENT PROPERTY TAX	1,777.18	6,904.00	(5,126.82)
GENERAL STATE AID	2,910,835.00	3,180,503.00	(269,668.00)
SPECIAL EDUCATION AID	386,118.00	379,902.00	6,216.00
MINERAL PRODUCTION TAX	779.02	0.00	779.02
ARRA STABILIZATION	72,145.00	72,145.00	0.00
EDUCATION JOBS	126,326.00	0.00	126,326.00
REIMBURSEMENTS	43,709.56	0.00	43,709.56
TOTAL STATUTORY REVENUES	<u>3,932,678.46</u>	<u>\$ 4,004,377.00</u>	<u>\$ (71,698.54)</u>
<u>EXPENDITURES</u>			
INSTRUCTION	1,831,227.54	\$ 1,850,550.00	\$ 19,322.46
STUDENT SUPPORT SERVICES	181,208.94	180,800.00	(408.94)
INSTRUCTIONAL SUPPORT STAFF	1,175.49	23,300.00	22,124.51
GENERAL ADMINISTRATION	234,427.06	244,900.00	10,472.94
SCHOOL ADMINISTRATION	235,475.65	248,600.00	13,124.35
OPERATIONS AND MAINTENANCE	467,462.30	471,825.00	4,362.70
OTHER SUPPLEMENTAL SERVICES	37,138.68	36,900.00	(238.68)
STUDENT TRANSPORTATION SERVICES	216,397.85	238,600.00	22,202.15
OUTGOING TRANSFERS	728,165.00	708,902.00	(19,263.00)
ADJUSTMENT TO COMPLY WITH LEGAL MAX	0.00	(115,408.00)	(115,408.00)
LEGAL GENERAL FUND BUDGET	3,932,678.51	3,888,969.00	(43,709.51)
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	0.00	43,709.56	43,709.56
TOTAL EXPENDITURES	<u>3,932,678.51</u>	<u>\$ 3,932,678.56</u>	<u>\$ 0.05</u>
REVENUE OVER (UNDER) EXPENDITURES	(0.05)		
MODIFIED UNENCUMBERED CASH, JULY 1, 2010	<u>0.05</u>		
MODIFIED UNENCUMBERED CASH, JUNE 30, 2011	<u>\$ (0.00)</u>		

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

STATUTORY REVENUES AND EXPENDITURES - STATUTORY AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	SUPPLEMENTAL GENERAL FUND		
	STATUTORY TRANSACTIONS	10-11 BUDGET	VARIANCE - OVER (UNDER)
<u>STATUTORY REVENUES</u>			
<u>TAXES AND SHARED REVENUE--</u>			
AD VALOREM PROPERTY TAXES -2009	\$ 16,066.68	\$ 14,386.00	\$ 1,680.68
AD VALOREM PROPERTY TAXES -2010	377,795.85	349,050.00	28,745.85
DELINQUENT PROPERTY TAX	2,656.58	7,828.00	(5,171.42)
MOTOR VEHICLE TAX	72,943.84	71,549.00	1,394.84
RECREATIONAL VEHICLE TAX	1,140.10	887.00	253.10
REIMBURSEMENTS	10,281.32	0.00	10,281.32
SUPPLEMENTAL STATE AID	562,690.00	564,530.00	(1,840.00)
	<hr/>	<hr/>	<hr/>
TOTAL STATUTORY REVENUES	1,043,574.37	\$ 1,008,230.00	\$ 35,344.37
	<hr/>	<hr/>	<hr/>
<u>EXPENDITURES</u>			
INSTRUCTION	226,802.11	\$ 280,000.00	\$ 53,197.89
STUDENT SUPPORT	-	7,450.00	7,450.00
INSTR. SUPPORT STAFF	96,817.17	111,000.00	14,182.83
GENERAL ADMINISTRATION	12,615.85	5,000.00	(7,615.85)
OPERATIONS AND MAINTENANCE	198,754.44	146,450.00	(52,304.44)
VEHICLE OPER. SERVICES	152,785.57	0.00	(152,785.57)
OUTGOING TRANSFERS	372,506.18	500,100.00	127,593.82
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	0.00	10,281.32	10,281.32
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	1,060,281.32	\$ 1,060,281.32	\$ -
	<hr/>	<hr/>	<hr/>
REVENUE OVER (UNDER) EXPENDITURES	(16,706.95)		
MODIFIED UNENCUMBERED CASH, JULY 1, 2010	41,770.29		
	<hr/>		
MODIFIED UNENCUMBERED CASH, JUNE 30, 2011	\$ 25,063.34		
	<hr/>		

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

COMPLIANCE AND INTERNAL CONTROL INFORMATION

KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Kenneth L. Kickhaefer, CPA

PO BOX 269, 1100 BROADWAY
MARYSVILLE, KS 66508-0269

(785) 562-2100
FAX (785) 562-2166

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Education
Unified School District No. 380
Vermillion, Kansas 66544

We have audited the financial statements of the governmental activities of Unified School District No. 380, Vermillion, Kansas, as of and for the year ended June 30, 2011, which collectively comprise Unified School District No. 380's basic financial statements and have issued our report thereon, dated November 14, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit Guide*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Unified School District No. 380, Vermillion, Kansas' internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Unified School District No. 380, Vermillion, Kansas' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Unified School District No. 380, Vermillion, Kansas' internal control over financial reporting.

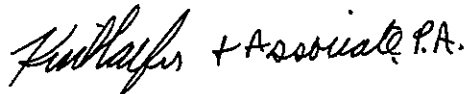
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Unified School District No. 380, Vermillion, Kansas' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the Board of Education and management of the Unified School District No. 380, Vermillion, Kansas, Federal awarding agencies and pass-through entities, the Kansas Department of Administration, Division of Accounts and Reports, and the Kansas Department of Education and is not intended to be and should not be used by anyone other than these specified parties.



Kickhaefer & Associate, P.A.
Marysville, Kansas
November 14, 2011

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

FEDERAL AWARD INFORMATION

KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Kenneth L. Kickhaefer, CPA

PO BOX 269, 1100 BROADWAY
MARYSVILLE, KS 66508-0269

(785) 562-2100
FAX (785) 562-2166

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Education
Unified School District No. 380
Vermillion, Kansas 66544

Compliance

We have audited the compliance of the Unified School District No. 380, Vermillion, Kansas, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal programs for the year ended June 30, 2011. Unified School District No. 380, Vermillion, Kansas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Unified School District No. 380, Vermillion, Kansas' management. Our responsibility is to express an opinion on Unified School District No. 380, Vermillion, Kansas' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *Kansas Municipal Audit Guide*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Unified School District No. 380, Vermillion, Kansas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Unified School District No. 380, Vermillion, Kansas' compliance with those requirements.

In our opinion, Unified School District No. 380, Vermillion, Kansas, complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2011.

Internal Control over Compliance

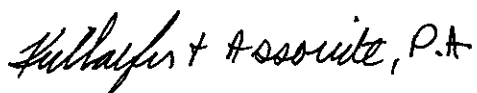
The management of Unified School District No. 380, Vermillion, Kansas, is responsible for establishing and maintaining effective internal control over compliance with

requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Unified School District No. 380, Vermillion, Kansas' internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Unified School District No. 380, Vermillion, Kansas' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Education and management of the Unified School District No. 380, Vermillion, Kansas, federal awarding agencies and pass-through entities, the Kansas Department of Administration, Division of Accounts and Reports, and the Kansas Department of Education and is not intended to be and should not be used by anyone other than these specified parties.



Kickhaefer & Associate, P.A.
Marysville, Kansas
November 14, 2011

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

STATEMENT 6

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

<u>PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>BEGINNING BALANCE 07-01-10</u>	<u>RECEIPTS</u>	<u>EXPENDITURES</u>	<u>ENDING BALANCE 06-30-11</u>
U.S. DEPT. OF EDUCATION:						
DIRECT PROGRAMS:						
RURAL EDUCATION ACHIEVEMENT PROGRAM-FY11	84.358A	\$ 19,927.00	\$ 0.00	\$ 0.00	\$ 16,917.53	\$ (16,917.53)
TOTAL DIRECT PROGRAMS					<u>16,917.53</u>	
PASS-THROUGH PROGRAMS FROM:						
KANSAS DEPARTMENT OF EDUCATION:						
TITLE I - FY 11	84.010	88,305.00	0.00	73,305.00	88,206.41	(14,901.41)
TITLE I - FY 10	84.010	90,613.00	(8,843.75)	20,000.00	11,156.25	0.00
TITLE I - ARRA	84.389	48,689.00	(777.53)	30,000.00	29,222.47	0.00
TITLE II - A FY11	84.367	35,645.00	0.00	27,645.00	32,741.88	(5,096.88)
TITLE II - A FY10	84.367	35,608.00	(16,087.24)	25,000.00	8,912.76	0.00
TITLE II - D	84.318	299.00	0.00	299.00	299.00	0.00
ARRA - STABILIZATION	84.394	72,145.00	0.00	72,145.00	72,145.00	0.00
EDUCATION JOBS FUND	84.41	126,326.00	0.00	126,326.00	126,326.00	0.00
NEMAHA VALLEY CONSORTIUM:						
CARL PERKINS SECONDARY IMPROVEMENT FUNDS	84.048	5,849.38	0.00	5,849.38	5,849.38	0.00
TOTAL PASS-THROUGH PROGRAMS					<u>374,859.15</u>	
TOTAL U.S. DEPT OF EDUCATION					<u>391,776.68</u>	
U.S. DEPT. OF LABOR:						
PASSED THROUGH STATE DEPT. OF COMMERCE						
WORKFORCE INVESTMENT ACT	17.259	20,734.00	(13,255.42)	13,255.42	0.00	0.00
TOTAL PASS-THROUGH PROGRAMS					<u>0.00</u>	
TOTAL U.S. DEPT OF LABOR					<u>0.00</u>	
U.S. DEPT. OF HEALTH AND HUMAN SERVICES:						
PASS-THROUGH PROGRAM FROM:						
VALLEY HEIGHTS USD #498						
HEALTH RESOURCES AND SERVICES ADMIN.(HRSA)	93.912	5,878.10	0.00	5,878.10	5,878.10	0.00
TOTAL PASS-THROUGH PROGRAMS						0.00
PASS-THROUGH PROGRAM FROM:						
KANSAS DEPT. OF SOCIAL & REHABILITATION SERVICES:						
MEDICAL ASSISTANCE PROGRAM	93.778	6,508.01	0.00	6,508.01	6,508.01	0.00
TOTAL PASS-THROUGH PROGRAMS					<u>12,386.11</u>	
TOTAL U.S. DEPT. OF HEALTH AND HUMAN SERVICES					<u>12,386.11</u>	
U.S. DEPT. OF AGRICULTURE:						
PASS-THROUGH PROGRAMS FROM:						
KANSAS DEPARTMENT OF EDUCATION:						
SCHOOL BREAKFAST PROGRAM	10.553	15,656.74	0.00	15,656.74	15,656.74	0.00
SCHOOL LUNCH PROGRAM	10.555	89,460.73	0.00	89,460.73	89,460.73	0.00
FEDERAL SCHOOL FOOD SERVICE	10.56	50.00	0.00	50.00	50.00	0.00
FRESH FRUITS & VEGETABLES	10.582	3,351.39	0.00	3,351.39	3,351.39	0.00
TOTAL PASS-THROUGH PROGRAMS					<u>108,518.86</u>	
TOTAL U.S. DEPT. OF AGRICULTURE					<u>108,518.86</u>	
TOTAL EXPENDITURES OF FEDERAL AWARDS					<u>\$ 512,681.65</u>	

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

(This Page Intentionally Left Blank)

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2011

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Unified School District No. 380, Vermillion, Kansas, and is presented on a basis of accounting which demonstrates compliance with the cash basis and budget laws of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract.

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

(This Page Intentionally Left Blank)

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the Unified School District No. 380, Vermillion, Kansas' financial statements under the statutory basis of accounting and an adverse opinion under GAAP dated November 14, 2011.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Unified School District No. 380, Vermillion, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No material weaknesses in internal control relating to the audit of the major federal award programs are reported in the Report of Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Unified School District No. 380, Vermillion, Kansas expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for Unified School District No. 380, Vermillion, Kansas, that are required to be reported under Section 510(a) of Circular A-133.
7. The major programs for Unified School District No. 380, Vermillion, Kansas, were the State Fiscal Stabilization Fund – ARRA Program, CFDA No. 84.394, Education Jobs Fund, CFDA No. 84.410, and Title I, CFDA No. 84.010. The Stabilization – ARRA, Education Jobs, and Title I Programs are U.S. Department of Education programs.
8. The dollar threshold between Type A programs and Type B programs was \$300,000.
9. The Unified School District No. 380, Vermillion, Kansas, did not qualify under Section 530 as a low-risk auditee and therefore was not eligible for reduced audit coverage in accordance with Section 520.

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

FINDINGS - FINANCIAL STATEMENTS AUDIT

No matters noted in current fiscal year.

There were no prior year financial statement audit findings.

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS

No matters noted in the current fiscal year.

There were no prior year major federal award program findings or questioned costs.

UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

SUPPLEMENTAL INFORMATION

VERMILLION UNIFIED SCHOOL DISTRICT NO. 380
VERMILLION, KANSAS
MARSHALL COUNTY, KANSAS

SCHEDULE 1

COMPARISON OF DEPOSITORY SECURITY WITH FUNDS ON DEPOSIT
6/30/2011

	F.D.I.C. COVERAGE	SECURITY PLEDGED PAR VALUE	MARKET VALUE	TOTAL COVERAGE	FUNDS ON DEPOSIT 6/30/2011	FUNDS AT RISK 6/30/2011
<u>BANK</u>						
FIRST NATIONAL BANK, CENTRALIA, KANSAS--						
DEMAND DEPOSITS	\$ 752.03			752.03	752.03	
TIME DEPOSITS	250,000.00	\$ 2,450,000.00	\$ 2,422,809.96	\$ 2,672,809.96	1,530,950.41	
SUBTOTAL	250,752.03	2,450,000.00	2,422,809.96	2,673,561.99	1,531,702.44	\$ 0.00
FIRST NATIONAL BANK, FRANKFORT, KANSAS--						
TIME DEPOSITS	250,000.00	650,000.00	695,849.80	945,849.80	839,166.38	0.00
TOTALS	\$ 500,752.03	\$ 3,100,000.00	\$ 3,118,659.76	\$ 3,619,411.79	\$ 2,370,868.82	\$ 0.00